

Developmental Disabilities Systems Reform Initiative**FY2002 Request: \$750,000****Reference No: AMD34885****AP/AL:** Appropriation**Project Type:** Health and Safety**Category:** Housing/Social Services**Location:** Statewide**Contact:** Larry Streuber**Election District:** Statewide**Contact Phone:** (907)465-1870**Estimated Project Dates:** 07/01/2001 - 06/30/2006**Brief Summary and Statement of Need:**

Alaska's rank in community services fiscal effort (spending for services per \$1,000 of total state personal income) has declined steadily from 14th in 1977 to 31st in 1998. Many of the most common initiatives for reducing state wait lists are either underway or are no longer available in Alaska. This situation cannot continue.

Funding:

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	Total
GF/MH	\$750,000						\$750,000
Total:	\$750,000	\$0	\$0	\$0	\$0	\$0	\$750,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased Project	<input type="checkbox"/> On-Going Project
0% = Minimum State Match % Required	<input checked="" type="checkbox"/> Amendment	<input checked="" type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Total Operating Impact:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Prior Funding History / Additional Information:

Alaska's rank in community services fiscal effort (spending for services per \$1,000 of total state personal income) has declined steadily from 14th in 1977 to 31st in 1998. Many of the most common initiatives for reducing state wait lists are either underway or are no longer available in Alaska.

These initiatives include 1) expanding family support to prevent or delay the need for full services; and 2) obtaining resources from the following sources: institutional downsizing, ICF/MR conversion to Home and Community Based Waiver programs (Harborview and Hope Cottages), capping reimbursement for existing programs, or seeking additional Medicaid funding.

Instead of maintaining service capacity, appropriations since 1992 have been linked to reducing wait lists by serving more people. Without systematic increases to pay for uncontrollable costs to providers such as insurance, increases in the minimum wage, and changes in care needs for an aging population, the quality of services and the basic health and safety of persons served are in jeopardy.

Currently there are nearly 1,100 adults and children waiting for DD services. Alaska is one of six states with the lowest per capita utilization of nursing homes for individuals with developmental disabilities (10 persons). Without increased provider capacity, people with DD are at risk for out-of-home placement, incarceration, neglect, abuse and increased medical complications resulting in institutional placement.

In 1998, an estimated 423 Alaskans with developmental disabilities were living in households with caregivers aged 60+. With continued improvement in their health status, individuals with developmental disabilities are expected to have a lifespan equal to that of the general population, stimulating a marked rise in the wait list, unless a concentrated state-federal effort is mounted to address this issue.

What Has Been Done in Alaska to Address the Problem:

Alaska is aggressively participating in the Home and Community Based Services Waiver program. Currently, 715 people with developmental disabilities receive services funded through the MRDD Waiver and 122 children through the Children with Complex Medical Conditions Waiver.

In December 1998, a systems analysis of the two Home and Community Based Waivers operated produced recommendations to 1) expand technical information and support (e.g. software programs, waiver manuals, quarterly updates, help desks, training and technical assistance); 2) simplify the billing process; 3) simplify the costing process; and 4) streamline plan of care and costing forms.

Other initiatives, which are just getting started, have the potential to change existing service delivery systems by: 1) the five-year capital project funded by the Trust to improve provider business operations (provider resource sharing and coordination); 2) Olmstead planning and implementation; and 3) Alaska Works' infrastructure project to enhance Alaska's Medicaid programs to better serve working people with disabilities.

The Mental Health Trust Authority recognized the problems in the DD system and they advanced to the Governor a recommendation for FY 02 - 03 budget increases for DD Community Grants and to the Capital Budget for Program Equipment, deferred maintenance and ADA improvements for DD program facilities.

FY 02 Pilot Projects for \$750,000 for this Initiative:

Developmental Disabilities Systems Reform Initiative**FY2002 Request: \$750,000****Reference No: AMD34885**

Objective 1: Support the development of a Pilot Project training curriculum for care coordinators, providers, DMH/DD Regional staff. Training will focus on issues of Plans of Care, policy development, waiver applications, billing procedures, and quality assurance techniques.

Timeline: Provide training by Sept. 30, 2001

Cost: \$100,000

Objective 2: Employ the Project's 15 Care Coordinators to reduce time in processing applications to assist people waiting for services and lower billing errors on the part of providers.

Timeline: Assist consumers and families with Pilot Project Care Coordination beginning Oct. 1, 2001

Review processing time for applications Jan 1, 2002

Review and report reduction in billing errors by Pilot Project Participants April 1, 2002

Cost: \$500,000

Objective 3: Streamline current business practices as recommended by the analysis of the DD system by improving current care coordination training (\$75,000) and expanding quality assurance monitoring of application and billing procedures (\$50,000). Eliminate duplication and improve efficiencies in business operations by producing a business practice and procedure manual outlining uniform procedures (\$25,000). In order to reduce errors in billing and delays in approval for the delivery of services examine billing procedures and modernize the billing system (\$75,000).

Timeline: Complete objectives by June 30, 2002

Cost: \$150,000